

**AMENDMENT TO MR. TAUZIN'S AMENDMENT
OFFERED BY MS. DEGETTE AND MR. FOSSELLA**

(Page & line nos. refer to Chairman's Mark of June 17, 2003)

Insert at the end of title VII (page 245, after line 36) the following new section (and conform the table of contents accordingly):

1 SEC. 735. MEDICARE PANCREATIC ISLET CELL TRANS-
2 PLANT DEMONSTRATION PROJECT.

3 (a) ESTABLISHMENT.—In order to test the appropriate-
4 ness of pancreatic islet cell transplantation, not later than 120
5 days after the date of the enactment of this Act, the Secretary
6 shall establish a demonstration project which the Secretary,
7 provides for payment under the medicare program under title
8 XVIII of the Social Security Act for pancreatic islet cell trans-
9 plantation and related items and services in the case of medi-
10 care beneficiaries who have type I (juvenile) diabetes and have
11 end stage renal disease.

12 (b) DURATION OF PROJECT.—The authority of the Sec-
13 retary to conduct the demonstration project under this section
14 shall terminate on the date that is 5 years after the date of
15 the establishment of the project.

16 (c) EVALUATION AND REPORT.—The Secretary shall con-
17 duct an evaluation of the outcomes of the demonstration
18 project. Not later than 120 days after the date of the termi-
19 nation of the demonstration project under subsection (b), the
20 Secretary shall submit to Congress a report on the project, in-
21 cluding recommendations for such legislative and administra-
22 tive action as the Secretary deems appropriate.

23 (d) PAYMENT METHODOLOGY.—The Secretary shall estab-
24 lish an appropriate payment methodology for the provision of
25 items and services under the demonstration project, which may
26 include a payment methodology that bundles, to the maximum
27 extent feasible, payment for all such items and services.